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TAGS: [AORC](#) [IAEA](#) [IR](#) [KNNP](#)
SUBJECT: IAEA/IRAN: SETTING A STANDARD OF FULL DISCLOSURE
FOR THE NOVEMBER REPORT

REF: A) UNVIE 631 B) UNVIE 634 C) UNVIE 628

Classified By: Ambassador Gregory L. Schulte for reasons 1.4 b,d,h

11. (S) Summary: P3 Ambassadors and German Charge discussed October 24 the inauspicious Jalili-Laranjani-Solana meeting and reviewed Mission-proposed criteria for evaluating a "positive outcome" as defined by the September P5 1 Ministerial statement (ref a). All agreed on the need to set factual and objective criteria to evaluate the DG's report to the Board, which would likely contain subjective judgments of Iran's "willingness to cooperate." This was all the more likely given that no one expected P1/P2 issues to be technically closed. P3 1 Ambassadors remain concerned about "deadline creep" on the part of the DG. P3 1 Missions will meet again on October 31 to discuss criteria and the French proposed further consultations on an IAEA Board resolution to "bridge the gap" with New York especially with reference to enrichment. In separate consultations, Israel and Japan also did not expect a positive report by November. As Mission continues consultations with like-minded and not-so-likeminded Board members on the need for full disclosure, Department feedback on proposed criteria for a positive outcome would be useful. End Summary.

Changing Horses Midstream?

12. (S) P3 Ambassadors and German Charge discussed the Laranjani-Jalili October 23 meeting with Solana and reviewed Mission-proposed criteria for evaluating a "positive outcome" at the November Board (ref a). Despite public characterization of the Solana meeting as "constructive," the EU3 readouts were universally negative. UK Ambassador Smith relayed that the Iranians had put forward nothing of substance, progress or interest, and qualified the meeting as "miserable." German Charge confirmed that Solana reported no substantial change in the Iranian position. Iranian negotiators resuscitated an old idea on slowing down enrichment (akin to Swiss proposals but "worse"). The dynamics between Iranian negotiators appear to have been of more interest than the meeting itself. According to the UK readout, at one point Solana turned to Laranjani and Jalili, asking who he should be addressing, and Laranjani responded,

"me." The Germans also heard that Laranjani had dominated the meeting, and offered to attend the next meeting in November (date not yet fixed).

¶3. (S) French Ambassador Deniau provided some insights from his Embassy in Tehran where Jalili is well-known. He was the principal drafter of Ahmadinejad's recent missives to President Bush and Chancellor Merkel and his word view is basically defined by the negative impact of "North-American neo-colonialism" and the conviction that Western powers were interested in keeping the Middle East in disarray. The French Embassy in Tehran also reported growing tensions in Parliament. Amid all the speculation, Ambassador Schulte said we need to judge policies and not people, though the change in negotiators could presage a hardening of the Iranian position.

DG Timelines

¶4. (S) Ambassador Schulte provided a readout of his meeting with DG ElBaradei the day before in which the DG committed to maintaining a high bar for the November report (ref b). ElBaradei had also sensed that Laranjani, who was frustrated for some time and did not like Jalili, could tender his resignation. UK Ambassador Smith reported that ElBaradei had formally declined Foreign Secretary Miliband's invitation to the DG to visit London by prior to the November Board. Smith expressed concern that during October 19 meeting with ElBaradei, the DG had mentioned three different timelines in the space of 20 minutes - "by the November Board," "November-December" and "at the turn of the year." ElBaradei's letter to Miliband was more definitive, stating that we would know by the November Board whether Iran was

"demonstrating an open commitment to cooperate actively with the Agency." Deniau noted that this formulation, like the DG's comments to the "Financial Times" on reporting by

November Iran's "willingness to cooperate," was a subjective judgment of Iranian intentions not factual. DDG Heinonen told the Germans that he expected the DG's November report to give an overall picture of P1/P2 and state with confidence whether or not Iran is cooperating but that the complex details of this issue would require more time to sort out.

Criteria for a Positive Outcome

¶5. (SBU) Mission shared with P3 1 our informal and preliminary thinking on possible criteria for judging a positive outcome as defined by the September P5 1 Ministerial statement (ref a). The two basic criteria are:

- 1) Full disclosure of P1/P2 activities including:
 - acknowledgment of withholding information;
 - acknowledgment of a military dimension;
 - explanation of military involvement;
 - responsive access to information and individuals.
- 2) Commitment to full disclosure of other activities, including:
 - access to advanced centrifuge development;
 - explanation of "studies";
 - implementation of all aspects of CSA and Subsidiary Arrangements;
 - implementation of Additional Protocol;
 - compliance with further transparency requests.

¶6. (S) P3 1 interlocutors saw great value in this effort to sharpen our analysis, provided initial reactions and proposed a French-hosted follow up meeting on October 31. They agreed in principle on the need for factual criteria to avoid what the French characterized as the trap of judging positive intentions. The UK saw the criteria as a "test of reasonableness" and a concrete assessment of what Iran has or has not done. In that vein, Smith suggested changing the first bullet from "acknowledgment of withholding information" to "production of previously withheld information" to assess

whether the P1/P2 issue has been closed.

¶17. (S) Ambassador Deniau noted the need to elucidate not just past P1/P2 but present centrifuge activities as part of the initial disclosure. He also suggested setting factual criteria for assessing what issues related to P1/P2 would objectively need more time (e.g. environmental sampling) and those Iran could solve immediately, such as producing a copy of the 1987 offer. An overarching concern for the French is the basic question of whether the work plan had been implemented as it was meant to be, meaning has P1/P2 been closed or not? Since it probably would not be technically possible to close P1/P2 issues by November, the French are concerned that the DG will report some "progress" or proffer some judgment of the level of Iranian cooperation. Deniau argued that the criteria for making such a judgment must be factual not "psychological." The Germans agreed that if as we expect it is not technically possible to close P1/P2, we need criteria to assess what constitutes substantial progress and Iran's "willingness to cooperate" by November.

¶18. (S) The UK likewise expects that P1/P2 issues will not be closed but also doubt that the DG report will say that Iran is not cooperating. In other words, "we're not able to close P1/P2 issues but..." Smith proposed that we maintain that Iran's failure to answer those questions demonstrates Iran's negative intentions. We are in effect also judging intentions, he argued, and many on the Board are likely to argue that there is no conclusive evidence of Iran's bad faith. Ambassador Schulte noted that the proposed criteria include both concrete indicators, concerning P1/P2 and intentions as they relate to the AP and other issues. The DG's own comments regarding the "litmus test" and the need for Iran to "come clean" and "confess" all reinforce the need for full disclosure.

Convincing the Board / P5

¶19. (S) The French queried whether the criteria would be agreeable to the Board. Ambassador Smith doubted that the Board could adopt these criteria but saw them as a basic test of "reasonableness" to convince enough Board members that now is the time for Iran to "confess." Nuclear Counselor clarified that we do not need to convince the Board but the P5 1. Ambassador Deniau believed it would be difficult to convince the Russians of the need for an acknowledgment of a military dimension, given Putin's recent public statement on the lack of any evidence of a nuclear weapons program.

¶10. (S) Speaking without instructions, Ambassador Deniau raised the prospect of a Board resolution in November, as he explained to Ambassador Schulte previously (ref c) to bridge the growing gap with New York, to address fundamental elements such as reiterating the Board's unanimous call for suspension, and to use the work plan to our advantage. Deniau feared that the Board had been de-legitimizing UN Security Council resolutions. He argued that the risk of Board action detracting from New York was mitigated because the Security Council would not act until after the Board. No one could give an assurance of a consensus outcome, though this Board was much better constituted than the previous one and if Russia and China were in agreement, it was not clear who would call for a vote. UK and Germany questioned what a Board resolution would do beyond reaffirming past resolutions, and noted that any new elements would be less likely to command consensus. The French proposed that a resolution could qualify Iran's cooperation under the work plan, set a December 31 deadline and clarify a positive outcome. Ambassador Schulte cautioned that any such deadline may conflict with New York. The French will continue consultations on possible resolution language, though much would depend on the content of the DG's report. As the Germans pointed out, if the Board is fundamentally dissatisfied with Iran's cooperation, then a resolution would be easy.

Other Reactions - Israel, Japan

¶11. (S) Ambassador Schulte also discussed October 22 the Laranjani meeting and criteria for a "positive outcome" with Israeli Ambassador Michaeli. Michaeli feared that ElBaradei would use Laranjani's resignation as an excuse for further delay. He also doubted that P1/P2 issues could be finished before November. Given the number of questions, interviews and documents, the Secretariat would not be in a position to close the issue. Michaeli also doubted that Iran would proffer confession of military involvement as this would open a Pandora's box. He agreed with Ambassador Schulte that such a confession would signal a strategic shift on Iran's part but there was no sign of such a shift, and Laranjani's resignation probably signaled the opposite. Rather than assess a "positive outcome", Michaeli queried what would force ElBaradei to declare failure. The Ambassador responded that any partial progress or unwarranted closure of an issue must be seen as a failure. Michaeli feared that ElBaradei was inclined to cast anything as a success and/or to request more time, noting that it was not just the Agency's credibility that was on the line but ElBaradei's reputation as a peacemaker.

¶12. (C) Japanese Ambassador Amano also told the Ambassador October 23 that he had seen no indication of a strategic decision by Iran and that Laranjani's resignation was not a sign of an improvement. Noting the DG's September remarks, Amano believed it would be difficult for the Agency to move the goal post this time. We were close to a situation where the twin P5 1 conditions would not be met, he argued, or the Agency made a non-persuasive statement to the Board, leading to further complications. Amano also noted that the composition of the new Board would give us more leverage at least on technical cooperation issues with Iran, if not on broader issues.

¶13. (C) Ambassador Schulte is also continuing consultations with not-so-likeminded Board members on the need for a "positive outcome" meaning full disclosure on Iran's part. In an October 19 meeting, Bolivian and Brazilian Ambassadors continued to hew closely to compliance with the work plan, though both admitted that if Iran failed to comply it would be completely isolated. Brazilian Ambassador Vieres de Souza expected an "interim" report by the DG in November while Ambassador Schulte underlined the fact that this was the critical report, and a litmus test. Bolivian Ambassador Bazoberry said that it was in Iran's interest to keep discussions in Vienna. Both Ambassadors were inclined to view suspension as a separate set of issues that obeyed a different, more "political" logic.

Comment

¶14. (S) Many countries, including our closest allies, are still grappling with the notion of a "positive" report. Almost all expect a report showing some progress, but need a way to evaluate that progress in terms of the P5 1 ministerial statement. Our initial, informal suggestions are beginning to get traction. We need to set a high bar of "full disclosure" that indicates a fundamental change in Iran's relationship with the IAEA.
SCHULTE